

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Sorghum (Nitrogen Fertilizer Only) - 500 Acres
North Texas Extension District - 4

Crop Acres	500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total
Sorghum	33.00	CWT	\$6.50	\$214.50	\$107,250.00
Total Revenue				\$214.50	\$107,250.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Harvest Sorghum	1	Acre	\$18.00	\$18.00	\$9,000.00
Custom Haul Sorghum	33	CWT	\$0.53	\$17.49	\$8,745.00
Fertilizer					
10-34-0	100	Pounds	\$0.32	\$32.00	\$16,000.00
82-0-0	100	Pounds	\$0.44	\$44.00	\$22,000.00
Herbicide					
Pre-emerge Sorghum	2	Acre	\$14.00	\$28.00	\$14,000.00
Insecticide					
Insecticide-Sorghum	1	Acre	\$15.00	\$15.00	\$7,500.00
Miscellaneous					
Insurance-Sorghum	1	Acre	\$8.00	\$8.00	\$4,000.00
Seed					
Sorghum Seed	7	Pounds	\$2.25	\$15.75	\$7,875.00
Machinery Labor					
Tractors/Self-Propelled	1.7	Hour	\$10.00	\$17.00	\$8,500.00
Diesel Fuel					
Tractors/Self-Propelled	8.28	Gallon	\$3.50	\$28.98	\$14,490.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$13.66	\$13.66	\$6,828.92
Implements	1	Acre	\$24.46	\$24.46	\$12,227.81
Interest on Credit Line			4.75%	\$4.62	\$2,309.42
Total Variable Costs				\$266.95	\$133,476.15
Planned Returns Above Variable Costs:				(\$52.45)	(\$26,226.15)
Breakeven Price to Cover Variable Costs			\$8.09	CWT	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$12.99	\$12.99	\$6,493.12
Implements	1	Acre	\$28.14	\$28.14	\$14,071.22
Equipment Investment					
Tractors/Self-Propelled	\$101.17	Dollars	6.00%	\$6.07	\$3,035.01
Implements	\$120.39	Dollars	6.00%	\$7.22	\$3,611.61
Rent-Dryland Crop	1	Acre	\$25.00	\$25.00	\$12,500.00
Total Fixed Costs				\$79.42	\$39,710.96
Total Specified Costs				\$346.37	\$173,187.11
Returns Above Specified Costs				(\$131.87)	(\$65,937.11)
Breakeven Price to Cover Total Costs			\$10.50	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	24.75	\$10.79	\$13.99
90%	29.70	\$8.99	\$11.66
100%	33.00	\$8.09	\$10.50
110%	36.30	\$7.35	\$9.54
125%	41.25	\$6.47	\$8.40

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 972-952-9273.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.